

**GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA**

UNSTARRED QUESTION NO:2231

ANSWERED ON:29.11.2016

Policy for Fertilizer Promotion

Tumane Shri Krupal Balaji

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Government has introduced any policy measures to promote fertilizer projects of foreign joint venture with a view to minimize its dependency on imported urea and to meet the scarcity of gas and if so, the details thereof;

(b) whether any positive response has been received from any country to set up these Joint Venture Projects and if so, the details thereof;

(c) the inflow of foreign exchange saved through these measures separately and the additional increase in the quantity of fertilizers produced annually as a result thereof; and

(d) whether availability of adequate fertilizers has been ensured in the country through these measures and if so, the details thereof and if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS, SHIPPING, ROAD TRANSPORT & HIGHWAYS

(SHRIMANSUKH L. MANDAVYA)

(a): Keeping in the view the constraint in availability of fertilizer resources and raw materials, the Government has been encouraging Indian Companies to establish Joint Ventures abroad in Countries which are rich in fertilizer resources for production facilities with buy back arrangements and to enter into long term agreement for supply of fertilizers and fertilizer inputs to India. Further, the Department is also working with the goal of having access to acquisition of the fertilizer raw materials abroad by Indian entities. The country is constraint in the availability of Natural Gas, which is the preferred feed stock for production of nitrogenous fertilizers, a near total dependence on imports for Phosphatic fertilizer and its raw materials and full import dependence for Potash. The details of ongoing JVs are as under:-

S. No. JV Project- Country JV participants with equity % Product & Capacity

1 Oman India Fertilizer Co.

(OMIFCO), Oman Oman Oil Co. (OOC-50%), IFFCO (25%) & KRIBHCO (25%) 16.52 lakh MT Urea & 2.48 lakh MT Ammonia

2 ICS Senegal, Senegal ICS Senegal and IFFCO consortium 5.5 lakh MT phosphoric acid

3 JPMC – IFFCO JV, Jordan JPMC & IFFCO 4.8 lakh MT phosphoric acid

4 IMACID, Morocco OCP (50%) - Morocco, Chambal (25%) & TCL (25%)- India 4.25 lakh MT phosphoric acid

5 Tunisia-India Fertilizer Company

(TIFERT), Tunisia GCT (Tunisia), CFL & GSFC (India) 3.60 lakh MT of phosphoric acid.

(b): The Indian fertilizer companies are exploring opportunities in fertilizer resource rich countries. Presently, the Indian Fertilizer companies are discussing with Iran and Congo for setting up Urea-Ammonia plant through JVs.

(c): Only Urea is being imported on Government Account for the agriculture purpose. A comparative statement showing the saving to GOI from the import of Urea from OMIFCO under Urea Off Take Agreement (UOTA) is placed at Annexure-I.

(d): There are sufficient fertilizers available in the country and no shortage of fertilizer has been reported.
